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DPD-6098-59

10 September 1959

MEMORANDUM FOR : Audit Liaison Officer

SUBJECT : Review of Proposed Contract Rates

REFERENCE (a) : Memo from Contracting Officer, DPD-
4726-59, dtd 9 July 1959

(b) : Advisory Audit Report #507, DPD-5292-59,
dtd 5 Aug. 1959.

1. Contracts [REDACTED], included in the request for review of rates made in Reference (a), contain monthly and weekly rates. The audit report, Reference (b), submitted to this office included recommendations as to hourly rates which are applicable to Contracts [REDACTED] only.

2. Attached is a revised proposal submitted by the Contractor subsequent to receipt of the audit report which includes breakdown of the monthly and weekly rates as well as the hourly rates.

3. It is requested that the monthly and weekly rates proposed by the Contractor for use as fixed contract rates for the period 1 July 1959 to 30 June 1960, also be reviewed as to reasonableness for acceptance under Contracts [REDACTED]

4. It will be noted that the Contractor still does not concur in the hourly rates recommended in the audit report, Reference (b). Since the main differences between the proposed rates and the recommended rates are in overhead and G&A, it is also requested that the hourly rates be reviewed with the Contractor during the audit in an effort to resolve the differences in the application of the indirect costs.

5. Please let me have your report on the above at your earliest convenience.

DPD-DD/P [REDACTED]:pf
Distribution:

[REDACTED]
Contracting Officer, DPD

1 - [REDACTED]

1 - [REDACTED]

1 - [REDACTED]

1 - [REDACTED]

1 - Chrono, DPD